

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:	:	BANKRUPTCY CASE NO. 16-10019-TPA
	:	
Conneaut Lake Volunteer Fire	:	CHAPTER 11
Department of Conneaut Lake	:	
Borough and Sadsbury Township	:	
Debtor	:	
<hr/>		
	:	DOCUMENT NO._____
	:	
Conneaut Lake Volunteer Fire	:	
Department of Conneaut Lake	:	
Borough and Sadsbury Township	:	
	:	
vs.	:	
	:	
United States of America,	:	
Department of the Treasury,	:	
Internal Revenue Service and	:	
Commonwealth of Pennsylvania,	:	
Department of Labor & Industry	:	
Respondents	:	

EXPEDITED MOTION TO USE CASH COLLATERAL

AND NOW, comes the Debtor, Conneaut Lake Volunteer Fire Department of Conneaut Lake Borough and Sadsbury Township (“Debtor”), by and through its undersigned counsel, and files this *Expedited Motion to Use Cash Collateral* (“Motion”) and in support thereof, avers as follows:

BACKGROUND AND PARTIES

1. Debtor filed a voluntary ***Petition*** under Chapter 11 of the ***Bankruptcy Code*** on January 12, 2016 at Case No. 16-10019-TPA.
2. The Debtor continues to manage its business as a debtor-in-possession. No examiner or trustee has been appointed.
3. The Debtor is a Pennsylvania non-profit (non-stock) corporation having a primary business address located at 11877 Conneaut Lake Road, Conneaut Lake, PA 16316.
4. The Respondent, United States of America, Department of the Treasury, Internal Revenue Service is a Federal taxing body with a mailing address of Internal Revenue Service, PO Box 7346, Philadelphia, PA 19101-7346.

5. The Respondent, Commonwealth of Pennsylvania, Department of Labor & Industry is a state taxing body with a mailing address of Department of Labor & Industry, Office of Chief Counsel, 301 Fifth Avenue, Suite 230, Pittsburgh, PA 15222.
6. This Court has subject matter jurisdiction over this matter pursuant to ***28 U.S.C. §157 and 11 U.S.C. §1334(b)***.
7. This is a core proceeding under ***28 U.S.C. §157(b)(2)***.
8. Venue is proper in the ***United States Bankruptcy Court for the Western District of Pennsylvania*** pursuant to ***28 U.S.C. §§ 1408 and 1409***.
9. This Motion is filed pursuant to the provisions of ***11 U.S.C. §363***.

TAX LIENS

10. The Internal Revenue Service filed a Notice of Federal Tax Lien in the Court of Common Pleas of Crawford County, Pennsylvania on April 27, 2015 at DSB2015-353.
11. The Internal Revenue Service filed a Notice of Federal Tax Lien in the Court of Common Pleas of Crawford County, Pennsylvania on October 27, 2015 at DSB2015-898.
12. The Commonwealth of Pennsylvania, Department of Labor & Industry filed a Notice of Unemployment Tax Lien in the Court of Common Pleas of Crawford County, Pennsylvania on September 8, 2015 at DSB2015-749.
13. The Commonwealth of Pennsylvania, Department of Labor & Industry filed a Notice of Unemployment Tax Lien in the Court of Common Pleas of Crawford County, Pennsylvania on January 4, 2016 at DSB2016-7.
14. Upon information and belief the above cited tax liens may serve as a lien on the Debtor's cash collateral.

MOTION TO USE CASH COLLATERAL

13. Pursuant to ***11 U.S.C. §363***, the Debtor is not permitted to use the cash collateral of PNC without consent or court order.
14. The Debtor needs the cash receipts, inventory, equipment, and other collateral upon which the taxing bodies may assert a security interest in order to continue to operate its business and successfully reorganize and pay its employees.
15. The Debtor believes it can operate at a profit and pay administrative expenses as they become due. This will allow the Debtor an opportunity to reorganize.

16. An effective reorganization will maximize the value of the assets for the benefit of the taxing bodies and other creditors and the Chapter 11 estate.
17. The continuation of the Debtor's business will prevent the diminution in the value of the Debtor's assets.
18. The Debtor requires the use of cash collateral to pay operating expenses.

WHEREFORE, the Debtor prays for an Order which authorizes the use of cash collateral pursuant to **11 U.S.C. §363** and for such additional or alternative relief as may be just and proper.

Date: January 15, 2016

Respectfully Submitted,

/s/ Daniel P. Foster, Esquire

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